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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA**

FEDERAL TRADE COMMISSION, )  
Plaintiff, )  
v. )  
IVY CAPITAL, INC., *et al.*, )  
Defendants, and )  
CHERRYTREE HOLDINGS, LLC, *et al.*, )  
Relief Defendants. )  
Case No. 2:11-cv-00283-JCM -GWF  
**ORDER REGARDING  
RELEASE OF FROZEN FUNDS  
FOR LIVING EXPENSES**

1       Upon consideration of the receiver's recommendations regarding living expenses and  
2 related matters (Doc. #163) ("receiver's recommendations") and plaintiff's opposition to  
3 receiver's recommendations regarding the release of frozen funds for living expenses (Doc.  
4 #169), and for good cause shown,

5           **IT IS HEREBY ORDERED**, that the April 21, 2011 order affirming the receiver's  
6 recommendations in its entirety is hereby AMENDED as set forth below;

7           **IT IS FURTHER ORDERED**, that section III (asset freeze) of the preliminary  
8 injunction (Doc. #91) entered on March 25, 2011 in this matter is hereby amended to permit the  
9 limited release of certain personal living expenses, as set forth below, to six individual  
10 defendants – Kyle G. Kirschbaum, John H. Harrison, Steven E. Lyman, Christopher M. Zelig,  
11 Steven R. Sonnenberg and James G. Hanchett – and three individual relief defendants – Kierston  
12 Kirschbaum, Tracy Lyman and Melyna Harrison:

13           (1) No individual defendant or relief defendant shall be permitted to access receivership  
14 defendants' funds to pay for their personal living expenses. Any receivership  
15 defendants' funds already released to defendants shall be returned to the receiver  
16 promptly. All personal living expenses to be released pursuant to this order shall be  
17 paid from the particular defendant's and/or relief defendant's frozen personal  
18 accounts, including, if necessary, any retirement, IRA, 401(k) or other personal  
19 accounts. The amounts set forth in paragraph 3 below shall be reduced by the amount  
20 of any funds already received from personal accounts pursuant to the April 21, 2011  
21 order.

22           (2) The release of such living expenses shall be for a period of four months, beginning  
23 April 21, 2011, with the final release of funds on or about July 21, 2011 to cover  
24 expenses through August 21, 2011.

25           (3) The court has reviewed the proposed monthly budgets, submitted with the receiver's  
26 recommendations, for the Kirschbaum, Harrison, Lyman, Sonnenberg, Hanchett and  
27 Zelig households. Personal funds for these individuals shall be unfrozen in the

1 amounts necessary to cover reasonable monthly living expenses not to exceed the  
2 following amounts:

3 a. Kyle and Kierston Kirschbaum:

- 4 i. Housing (including insurance and utilities): not to exceed \$3,892  
5 ii. Children (diapers, formula, clothing and education): not to exceed  
6 \$310  
7 iii. Vehicles: costs associated with gas, maintenance and insurance for one  
8 vehicle not to exceed \$581  
9 iv. Food: not to exceed \$1,000  
10 v. Insurance/Health Expenses: not to exceed \$1,543  
11 TOTAL MONTHLY EXPENSES not to exceed \$7,326.00

12 b. John and Melyna Harrison:

- 13 i. Housing (including insurance and utilities): not to exceed \$2,230  
14 ii. Children (diapers, formula, clothing and education): not to exceed  
15 \$280  
16 iii. Vehicles: costs associated with gas, maintenance and insurance for one  
17 vehicle not to exceed \$425  
18 iv. Food: not to exceed \$1,000  
19 v. Insurance/Health Expenses: not to exceed \$1,593  
20 TOTAL MONTHLY EXPENSES not to exceed \$5,528.00

21 c. Steven and Tracy Lyman:

- 22 i. Housing (including insurance and utilities): not to exceed \$4,375.55  
23 ii. Children (diapers, formula, clothing and education): not to exceed  
24 \$285  
25 iii. Vehicles: costs associated with gas, maintenance and insurance for one  
26 vehicle not to exceed \$490  
27 iv. Food: not to exceed \$1,000

1 v. Insurance/Health Expenses: not to exceed \$1,949.37  
2

3 TOTAL MONTHLY EXPENSES not to exceed \$8,099.92  
4

5 d. Christopher Zelig:  
6

7 i. Housing (including insurance and utilities): not to exceed \$3,230  
8

9 ii. Vehicles: costs associated with payment, gas, maintenance and  
10 insurance for one vehicle not to exceed \$1,260  
11

12 iii. Food: not to exceed \$500  
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14 iv. Insurance/Health Expenses: not to exceed \$250  
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16 TOTAL MONTHLY EXPENSES not to exceed \$5,240.00  
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18 e. James Hanchett:  
19

20 i. Housing (including insurance and utilities): not to exceed \$3,000  
21

22 ii. Children (diapers, formula, clothing and education): not to exceed  
23 \$1,100  
24

25 iii. Vehicles: costs associated with gas, maintenance and insurance for one  
26 vehicle not to exceed \$325  
27

iv. Food: not to exceed \$800  
v.

Insurance/Health Expenses: not to exceed \$650  
TOTAL MONTHLY EXPENSES not to exceed \$5,875

f. Steven Sonnenberg  
i.

Housing (including insurance and utilities): not to exceed \$3,067  
ii.

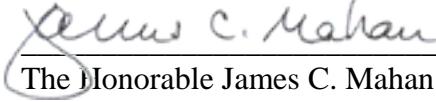
Children (diapers, formula, clothing and education): not to exceed  
\$950  
iii.

Vehicles: costs associated with payment, gas, maintenance and  
insurance for one vehicle not to exceed \$1,140.50  
iv.

Food: not to exceed \$934  
v.

Insurance/Health Expenses: not to exceed \$670  
TOTAL MONTHLY EXPENSES not to exceed \$6,761.50

1                     (4) The receiver shall provide to the Federal Trade Commission an accounting of any  
2                     funds already released pursuant to the April 21, 2011 order.  
3  
4                     **IT IS SO ORDERED:**

5                       
6                     The Honorable James C. Mahan  
7                     United States District Judge

8                     Dated: May 12, 2011  
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**Certificate of Service**

I hereby certify that on May 4, 2011, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF, which will send a notice of electronic filing to all counsel of record.

/s/ Emily Cope Burton  
Emily Cope Burton